DOCUMENT RESUME

ED 418 247 CE 076 144

AUTHOR Brown, Bettina Lankard
TITLE Part-Time Work and Other Flexible Options. ERIC Digest No. 192.
INSTITUTION ERIC Clearinghouse on Adult, Career, and Vocational Education, Columbus, OH.
SPONS AGENCY Office of Educational Research and Improvement (ED), Washington, DC.
REPORT NO EDO-CE-98-192
PUB DATE 1998-00-00
NOTE 4p.
CONTRACT RR93002001
PUB TYPE ERIC Publications (071) -- ERIC Digests in Full Text (073)
EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS *Career Development; Career Education; Demography; Education Work Relationship; *Employer Employee Relationship; *Employment Patterns; *Employment Practices; *Flexible Working Hours; Job Sharing; *Part Time Employment; Professional Development; Trend Analysis
IDENTIFIERS ERIC Digests

ABSTRACT

Options for flexible work schedules such as job sharing, compressed work weeks, reduced hours, work at home, and flextime have provided employees with the means to realize a better balance between work and family and engage simultaneously in more than one endeavor (for example, school and work or two careers). The same options can also lead to economic and emotional stress and to limited opportunities for professional growth. Although employer-initiated flexible staffing arrangements are appealing to many workers, they are designed primarily to satisfy employers' needs. Flexible work options such as part-time employment and job sharing are becoming increasingly attractive to professionals. Flextime, which has become the most popular flexible work arrangement, reaps benefits for employers and employees alike by allowing full-time employees to work at convenient times and offering employers a low-cost method of providing personal time off, extending service hours without overtime pay, and reducing absenteeism and turnover. The use of flexible options is affected by various factors, including union and government pressure and workplace demographic changes. When preparing students with the academic, vocational, and employability skills required for successful employment in today's workplace, educators must also promote self-directed learning and a spirit of entrepreneurship. (Contains 16 references) (MN)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED 418 247

Part-Time Work and Other Flexible Options ERIC Digest No. 192

Bettina Lankard Brown

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
☑ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.
• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

ERIC Clearinghouse on Adult, Career, and Vocational Education
Center on Education and Training for Employment
College of Education
The Ohio State University
1900 Kenny Road
Columbus, OH 43210-1090

CE 078 744

DIGEST NO. 192

ERIC Clearinghouse on Adult, Career, and Vocational Education

by Bettina Lankard Brown

1998

EDO-CE-98-192

Part-Time Work and Other Flexible Options

Options for flexible work schedules—once nonexistent—have become a reality, with benefits for workers and employees alike. Job sharing, compressed work weeks, reduced hours, work at home, and flextime have provided employees with the means to realize a better balance between work and family and an opportunity to engage simultaneously in more than one endeavor, e.g., school and work, two careers, and work and leisure. They can also lead to economic and emotional stress and to limited opportunities for professional growth. This *Digest* examines flexible work options, including the characteristics of workers who select them, the organizations that offer them, and the influence they have on worker satisfaction, performance, productivity, and career progression.

Flexible Staffing Arrangements

Over the years, employers have established employment arrangements with workers that include working in shifts, on "temporary" assignments, in a part-time capacity, and through independent contract work. The impetus for these arrangements is the organization's desire to realize its short-term service and production goals and to reap the low-cost benefits of a contingent work force.

Today, with businesses facing increasingly competitive markets and unprecedented customer demands for services, the employment of workers in shifts to cover a 24-hour day is increasing. In fact, one in five workers is hired to work outside the typical 9-to-5 time slot ("No More Nine-to-Five" 1998). Manufacturing companies have traditionally operated day and night, often to capitalize on equipment usage. However, many other types of companies are now offering their services around the clock, e.g., financial services, 24-hour banking services, computer-related services, retail catalog sales, and supermarkets. Unfortunately, those working the least attractive shifts (night) are typically the least skilled and have the lowest incomes (ibid.).

Temporary workers, those hired for a specific, usually short-term, assignment, are also increasing in numbers. Businesses that have cyclical staffing needs, e.g., retailers, construction companies, and those that have unpredictable demands, e.g., high tech companies, are frequent users of temporary workers. About 10-12 percent of Hewlett Packard's workers, for example, are temps (Galvin 1998). Some companies have such extensive needs for temporary workers that they employ temporary agencies to hire, train, and manage these workers. One such company, American Precision Plastics in Colorado, reports that "90 percent of their 180 plant workers are temporary" (Lief 1997, p. 86). The results of a survey conducted by the W. E. Upjohn Institute showed the following configuration of temporary workers used by the 550 establishments surveyed for the study (Houseman 1997, p. 6): 46% use workers from temporary help agencies; 38% use short-term hires; 72% use regular part-time workers; 27% use on-call workers; and 44% use independent contract workers. Typically, these workers receive lower wages and few, if any, benefits, thereby lowering employers' costs.

These employer-initiated flexible *staffing* arrangements, although appealing to many workers, are designed to satisfy the needs of the employer. Flexible *scheduling* arrangements, increasing in the workplace, are initiated to meet the employee's needs, although the employers are reaping benefits as well.

Flexible Work Schedules

Part-Time Work. Part-time workers are those who work less than a 40-hour week either by choice or because it is the only alternative available to them. Typically, these workers are females, who have compromised pay, benefits, and security for the "privilege" of working reduced time. "Official government earnings data show that part-time women earn on average significantly lower hourly rates than their full-time counterparts" ("Using Part-Time Workers" 1997, p. E13). Often these women have other obligations that trigger their desire to work part time, such as children at home, care of elderly family members, continuing education, or the opportunity to pursue other interests and hobbies. Some workers accept part-time jobs as an entry to full-time employment with a firm. Others see it as a way to augment other income. For example, from 1984 to 1993, the number of retired men aged 55-61 who worked part time instead of full time so they could continue to receive Social Security benefits jumped from 37% to 50% (McShulskis 1997). One of the problems facing part-time workers is limiting their work hours to the agreed-upon number. Many find that they are expected to accomplish the same volume of work as those employed full time.

Part-timers have tended to be pigeonholed as low skilled and, in the academic community, less likely to have advanced degrees (Leatherman 1997). However, this characterization no longer holds as more professional workers are electing part-time work. "The number of part-time professionals in the U.S. has expanded from 3 million in 1989 to 4.5 million currently. An estimated 70% of the companies employ part-time professionals who used to be full time" ("Part-Time Professionals Push Positive Image" 1997, p. 944). According to a study by Catalyst, 46% of the respondents who had switched from full- to part-time work reported an increase in productivity, morale, commitment to the company, and retention (McShulskis 1998).

Job Sharing. Job sharing has an appeal for professionals who want to work less than full time and yet maintain their professional expertise and status. By job sharing, two or three managers, for example, can coordinate their management styles and expertise to perform the duties required for a given job. Most of the time, these types of employment arrangements are initiated by the two staff members who have a common interest in job sharing and who propose the arrangement to their employer. For these workers, many of whom are parents or caregivers, this alternative is preferable to a compressed work week (restructuring the 40-hour work week into fewer days) or flextime hours (working 8-hour days but at varying times) because these latter options only "exacerbate the problems parents experience when they work full time because of the need for extended day care hours" (Kane 1996, p. 27).

Flextime. Flextime is the most popular work option being adopted by employee and employer alike. It is an option that allows employees to negotiate their starting and quitting time. First introduced in Germany in the early 1960s, flextime was a response to the traffic congestion and transit problems experienced by commuting employees. By 1970, the practice had spread throughout Europe. In the United States, flextime was first introduced by Hewlett Packard in 1972, where it was considered to be a low-cost employee benefit (Conroy et al. 1997).

BEST COPY AVAILABLE

Flextime is especially appealing because it allows employees to work full time but at times that are convenient for their schedule and life-style. It reaps benefits for the employer by offering a low-cost method of providing personal time off, extending service hours without overtime pay, and reducing absenteeism, tardiness, and turnover. Also, by adopting flextime, management demonstrates its willingness to respond to employee needs, thus enhancing recruitment (ibid.).

Factors Influencing the Use of Flexible Work Options

The use of flexible work options is affected by a variety of factors, including union and government pressure and workplace demographic changes.

Pressures on Employers. The strike at United Parcel Service (UPS) supported by the Teamsters Union triggered renewed union interest in the rights of part-time workers. A central issue in the strike was the company's practice of replacing good-paying, full-time jobs with low-paying, part-time jobs having no benefits and no security. According to Teamster representatives, 38,000 of the 46,000 unionized workers UPS has added in the past 4 years are part-time workers. Much of the Teamsters' criticism of UPS related to reduced wages and benefits for part-time workers: part-time workers' wages averaged $9-$10 per hour in contrast to full-timers' earnings of $19.95 per hour ("No Part-Time Job Explosion" 1997).

Hiring part-time, contingent, or independent workers to avoid paying employee benefits is bringing many businesses under government scrutiny. "Companies incorrectly classifying their independent workers (as other than full-time employees), could be liable for unpaid overtime, unemployment, and payroll taxes and workers' compensation and could face fines for violating the Employee Retirement Income Security Act" (Adler 1998, p. 1). The Internal Revenue Service offers a checklist of 20 criteria to help companies determine an employee's classification as an independent contractor. "In general, under these IRS criteria, the company cannot dictate matters such as where and when the workers performs the job" (Adler 1998, p. 2).

Workplace Demographic Changes. Changes in U.S. demographics as noted in the Workforce 2000 Report represent another issue causing companies to reexamine the use of flexible scheduling options. The report predicts that the population of the country (and work force) will experience slower growth, include a greater percentage of minorities and immigrants, be increasingly composed of older workers, and have a smaller pool of young people to engage in work (Conroy et al. 1997). Also, "if women persist in retiring relatively early, the aging of the baby boom generation will mean a significant drop in the percentage of women in the labor force after ages 45-54" (ibid., p. 37).

A tight labor market, which reflects the lowest unemployment rate in 25 years, is causing many employers to alter their approaches to employee hiring and retention. "In a recent nationwide survey, 84% of executives polled said their firms now offer either a formal or informal, flexible-hours program for their employees" (Landolt 1997, p. 6). Even the traditional steel mills are looking positively at flextime, allowing employees to compress their work week as a means of getting and keeping needed workers (Hansen 1998).

Companies are also rethinking the issues of security and benefits as more workers are employed under flexible staffing. "Companies like CIGNA Corp., which has businesses in health care, insurance, and financial services, have discovered that letting employees work part-time or compressed work weeks with full benefits saves money in the long run by reducing turnover and lowering training and recruitment costs. Of CIGNA's 37,000 employees, 12,000 work part time, a third of them in professional and managerial positions. Any employee working 24 hours or more a week gets full benefits and part-timers get promotions" (Lief 1997, p. 87).

Implications for Work Force Education and Training

With an increasing number of professionals working part time, companies are adopting new practices to facilitate employees' career development and growth. Ernst & Young and New England Electric, for example, are not only honoring requests for part-time employment, "they are also offering part-time policies that allow professionals to make partner, retain management responsibilities, compete for promotions and bonuses and encourage managers to allow part timers to take on meaty assignments" (Tolliver 1997, p. 1). The key to realizing staffing and scheduling options that provide the traditional benefits is high skills. Workers who have the skills employers want will be career resilient—able to work in a variety of settings and to have their demands recognized. Educators, in preparing students with the academic, vocational, and employability skills required for successful employment must also promote self-directed learning and a spirit of entrepreneurship.

Those who aspire to work in managerial positions must be prepared with skills for supervising, communicating, and coordinating the flexible employment and alternative scheduling practices that will be increasingly demanded by new work force entrants who reflect the changing demographics of the population.

References

Adler, J. "Why Free-Lance Workers May Get Full-Timers' Perks." *Crain's Chicago Business* 21, no. 6 (February 9, 1998): SB3-SB4.

Conroy, M.; Caldwell, S.; Buehret, R.; and Wolfe, W. "Flextime Revisited: The Need for a Resurgence of Flextime." *Journal of Compensation & Benefits* 13, no. 3 (November-December 1997): 36-39.

Galvin, A. "Temps Becoming a Permanent Fixture in the Workplace." *St. Petersburg Times*, March 8, 1998, p. 1G.

Hansen, C. "Retaining Employees in a Tight Market." *Iron Age New Steel* 14, no. 1 (January 1998): 68.

Houseman, S. N. "Flexible Staffing Arrangements in the U.S." *Worklife Report* 10, no. 4 (1997): 6.

Kane, D. "A Comparison of Job Satisfaction and General Well Being for Job Sharing and Part-Time Female Employees." *Guidance & Counseling* 11, no. 3 (Spring 1996): 27-30.

Landolt, S. C. "Bending the 9-to-5 Rules." *Credit Union Management* 20, no. 10 (October 1997): 6.

Leatherman, C. "Leaders of Scholarly Groups Online Response to Growth in Use of Part-Time Faculty." *Chronicle of Higher Education* 44, no. 15 (December 5, 1997): A18.

Lief, L. "An End to the Dead-End Job?" *U.S. News & World Report* 123, no. 16 (October 27, 1997): 86-87.

McShulskis, E. "Retirees Returning to Work Threaten Some Full-Time Workers." *HRMagazine* 42, no. 3 (March 1997):26-28.

McShulskis, E. "Part-Time Plans Have a Positive Impact." *HRMagazine* 43, no. 1 (January 1998): 26.

"No More Nine-to-Five." *The Economist* 346, no. 8050 (January 1998): 53-55.

"No Part-Time Job Explosion." *The Economist* 344, no. 8030 (August 16, 1997): 23.

"Part-Time Professionals Push Positive Image." *CQ Researcher* 7, no. 40 (October 24, 1997): 944.

Tolliver, C. "The Payback from Part Time." *HR Focus* 74, no. 12 (December 1997): 1, 3-4.

"Using Part-Time Workers." *IRS Employment Review* no. 629 (April 1997): E13-E16.

Developed with funding from the Office of Educational Research and Improvement, U.S. Department of Education, under Contract No. RR93002001. Opinions expressed do not necessarily reflect the position or policies of OERI or the Department. Digests may be freely reproduced.

CENTER ON EDUCATION AND TRAINING FOR EMPLOYMENT
COLLEGE OF EDUCATION
THE OHIO STATE UNIVERSITY
1900 Kenny Road • Columbus, Ohio 43210-1090

BEST COPY AVAILABLE